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C O N F I D E N T I A L SECTION 01 OF 03 BEIRUT 001011

SIPDIS

DEPT FOR NEA/FO, NEA/ELA  
ALSO FOR IO A/S SILVERBERG AND PDAS WARLICK  
USUN FOR KHALILZAD/WOLFF/KUMAR/PHEE  
NSC FOR ABRAMS/SINGH/YERGER/GAVITO

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TAGS: [PREL](#) [PGOV](#) [PTER](#) [PINR](#) [UNSC](#) [LE](#)  
SUBJECT: LEBANON: A CABINET IS FORMED

REF: A. BEIRUT 733  
[B](#). BEIRUT 983  
[C](#). BEIRUT 963

Classified By: Charge d'Affaires a.i. William K. Grant for reasons 1.4  
(b) and (d).

SUMMARY

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[1](#)1. (C) After seven weeks of negotiations between and within the opposition and the majority blocs, President Michel Sleiman, Prime Minister-designate Fouad Siniora, and Speaker Nabih Berri came together at the presidential palace for the announcement of the formation of a 30-member cabinet at 1610 local time, July 11. The two obstacles delaying the formation of the cabinet this week, the opposition's controversial nomination of SSNP figure Ali Qanso and the intra-March 14 Christian competition for ministerial seats, were resolved, in part because of the desire of several March 14 leaders to preserve their alliance's unity. Our initial assessment is that there are no major problems with this cabinet, compared to the previous one, for U.S. interests. End summary.

CABINET IS FORMED AFTER  
SEVEN WEEKS OF NEGOTIATING  
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[1](#)2. (C) The agreement on the cabinet, reached one day before Sleiman is scheduled to depart for Paris to attend the Union of the Mediterranean Summit, is in accordance with the 16-11-3 division arrived at in Doha (Ref A). The decrees on the appointments have been signed, and the first cabinet meeting is expected to take place Wednesday, July 16 or later, after Sleiman's return to Lebanon.

Following is an overview of the significant developments of the last few days that led to today's agreement:

SSNP FIGURE ALI QANSO  
ACCEPTED BY MARCH 14  
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[1](#)3. (C) At the beginning of the week, Hizballah announced its intention to nominate Shia SSNP member Ali Qanso as a minister, a move which was promptly rejected by Siniora on the grounds that Qanso had threatened Saad Hariri and his future supporters in the north during the May clashes. When both Hizballah and Amal insisted on Qanso's nomination, it appeared that this could derail the negotiations. However

several March 14 figures, including Saad, advised Siniora that it was a mistake to publicly block agreement on a cabinet over this issue, and he relented.

NOMINATION OF NASSIB LAHOUD  
SETTLED THE INTRA-MARCH 14  
DISPUTES  
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¶4. (C) The second point of contention stalling the cabinet formation this week was the appointments of March 14 Christian ministers (Ref B). Naming to the cabinet Nassib Lahoud, a highly-respected former presidential candidate, made acceptable excluding both Social Affairs Minister Nayla Mouawad and Saad's senior advisor Ghattas Khoury, who had been bickering over getting one of the March 14 Christian seats. March 14 stalwart Marwan Hamadeh took credit, during July 11 meeting with CDA, for advancing Lahoud's name to solve the internal March 14 problem.

OTHER INTRA-MARCH 14  
CONCESSIONS  
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¶5. (C) Hamadeh, allied with Druze leader Walid Jumblatt, said that Jumblatt relented in his demands in order to reach agreement with his March 14 ally, Lebanese Forces leader Samir Geagea. Per the agreement, Jumblatt would appoint two ministers (one with a portfolio and one a state minister), allowing Geagea to appoint two ministers with portfolios, despite the fact that Jumblatt controls many more MPs than does Geagea.

¶6. (C) For his part, Saad Hariri made an important concession to March 14 unity by giving the significant justice portfolio for Geagea to designate. The symbolism of this concession is important because if Saad, a Sunni, had turned down the request by Geagea, a Christian, to get justice, opposition Christian leader Michel Aoun could have made the case that the March 14 Christians are controlled by the Sunnis.

JUMBLATT APPOINTED  
INDEPENDENT SHIA SHAMSEDDINE  
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¶7. (C) In what is a promising overture to independent Shia, Jumblatt succeeded in appointing independent Shia Ibrahim Shamseddine, who is a member of neither Amal nor Hizballah, to fill a March 14 slot. This was part of an agreement Jumblatt made with the opposition, in which he exchanged a Druze seat for the opportunity to appoint a Shia (Ref C). Jumblatt named Shamseddine and the opposition named Talal Arslan, an opposition Druze figure. Jumblatt has been seeking political rapprochement with Arslan, so the latter's appointment serves Jumblatt's interests also.

MINISTERS NOW OUTSIDE  
OF THE CABINET  
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¶8. (C) Incumbent ministers who will not be returning to the new cabinet are Marwan Hamadeh, a March 14 stalwart who was Telecommunications Minister, Social Affairs Minister Nayla Mouawad, Tourism Minister Joseph Sarkis, Displaced Persons Minister Nehme Tohme, Economy Minister Sami Haddad, Finance Minister Jihad Azour, Youth and Sports Minister Ahmad Fatfat, Justice Minister Charles Rizk, Parliamentary Affairs Minister Michel Pharon, Labor Minister Trad Hamadeh and Agriculture Minister Talal Sahili.

COMMENT  
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¶9. (C) With regard to U.S. interests, our initial reaction is that the membership of the new cabinet is no worse than the membership of the 24-member national unity cabinet formed in ¶2005. Elias Murr stays as Defense Minister. Chatah, who spent many years with the World Bank, is an excellent choice

for Finance Minister. Nassib Lahoud should be a strong presence. Hizballah members occupied two seats in the previous, smaller cabinet and will occupy one in the new, with two other ministers designated by Hizballah. Some initial questions: we have heard good things about new Justice Minister Ibrahim Najjar but it remains to be seen if he will be as strong an advocate for the Special Tribunal as his predecessor, Charles Rizk (we have no reason to think he won't). Interior Minister Ziad Baroud has responsibility for managing the 2009 parliamentary election and two of the internal security forces. He has extensive experience with election reform, but none with internal security that we know of. End comment.

#### COMPLETE LIST OF NEW CABINET

#### 19. (SBU)

##### MINISTERS DESIGNATED BY MARCH 14 MAJORITY (16 members)

PM Fouad Siniora, Sunni (incumbent)

Bahia Hariri, Minister of Education, Sunni (new; aunt of MP Saad Hariri)

Mohammed Chatah, Minister of Finance, Sunni (new; Siniora's highly capable senior aide and also close to Saad Hariri. One question: who will replace him to manage issues such as Sheba'a Farms; he has told us that he expects his new responsibilities will take up all of his time)

Tamam Salam, Minister of Culture, Sunni (new; close to Saad Hariri)

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Mohammed Safadi, Minister of Economy, Sunni (returning--was minister of Public Works; Tripoli bloc; independent of Saad Hariri)

Tareq Mitri, Minister of Information, Greek Orthodox (returning--was Minister of Culture; close to Siniora)

Khaled Qabbani, Minister of State, Sunni (returning--was Minister of Education; was close to Rafiq Hariri)

Ibrahim Najjar, Minister of Justice, Greek-Orthodox (new; Lebanese Forces)

Tony Karam, Minister of Environment, Maronite (new; Lebanese Forces)

Wael Abu Faour, Minister of State, Druze (new; Jumblatt bloc)

Ghazi Aridi, Minister of Public Works, Druze (returning--was Minister of Information; Jumblatt bloc)

Elie Marouni, Minister of Tourism, Maronite (new; Kataeb)

Nassib Lahoud, Minister of State, Maronite (new; Democratic Renewal Movement, part of March 14)

Jean Ogassapian, Minister of State, Armenian Orthodox (returning--was Minister of Administrative Reform; close to Saad Hariri)

Raymond Audi, Minister of Displaced, Greek-Catholic (new; prominent owner of Audi Bank)

Ibrahim Shameseddine, Minister of State for Admin Reform, Shia (new; independent)

##### MINISTERS DESIGNATED BY PRESIDENT SLEIMAN (3 members)

Ziad Baroud, Minister of Interior, Maronite (new; electoral

reform expert but has no internal security experience; close to President Sleiman)

Elias Murr, Minister of Defense, Greek-Orthodox (incumbent DefMin who loses his deputy PM position; close to President Sleiman)

Yussef Takla, Minister of State, Greek-Catholic (new; close to President Sleiman)

MINISTERS DESIGNATED BY THE OPPOSITION (11 members)

Talal Arslan, Minister of Youth and Sports, Druze (new; March 8)

Ali Qanso, Minister of State, Shia (new; SSNP)

Mohammed Fneish, Minister of Labor, Shia (returning--was Minister of Environment; Hizballah)

Mohammed Khalifeh, Minister of Health, Shia (incumbent; close to Amal)

Ghazi Zuayeter, Minister of Industry, Shia (new; close to Amal)

Fawzi Salloukh, Minister of Foreign Affairs, Shia (incumbent; close to Amal)

Issam Abu Jamra, Deputy PM and Minister of State, Greek-Orthodox (new; Aoun)

Alain Tabourian, Minister of Energy and Water, Armenian-Orthodox (new; Tashnaq party)

Mario Aoun, Minister of Social Affairs, Maronite (new; Aoun)

Gebran Bassil, Minister of Telecom, Maronite (new; Aoun)

Elie Skaff, Minister of Agriculture, Greek-Catholic (new; Popular Bloc and ally of Michel Aoun)  
GRANT